sugar will be sufficient to meet the requirements of the Public Distribution System.

(c) A proposal for the creation of a buffer stock of sugar is under consideration of the Government;

(d) Government, with a view to ensure adequate availability of sugar for the Public Distribution System in the event of sugar production not coming up to the expected level, have directed State Trading Corporation Limited (STC) and Mineral and Metals Trading Corporation Limited (MMTC) to enter into forward contracts for import of sugar. In pursuance thereof, they have entered into farward contracts for the import of about 4.05 lakh tonnes of sugar.

Devision of Prices of Sugar

5137. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FOOD be pleased to state:

(a) whether the Indian Sugar Mills Association and the National Federation of Cooperative Sugar Factories Limited have urged the Union Government to revise the prices of levy and freesale sugar in the country; and

(b) if so, the reaction of Government in this regard?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) In a joint representation, Indian Sugar Mills Association and National Federation of Cooperative Sugar Factories Ltd. have urged for expeditious announcement of new levy sugar prices for 1994-95 season.

(b) The Government have already announced the ex-factory prices of levy sugar for 1994-95 season.

Hiring Storage Capacity by FCI

5138. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that the Food Corporation of India (FCI) hires substantial storage capacities from outside sources;

(b) if so, the details of its own and hired storage capacities during each of the last three years;

(c) reasons for hiring storage capacities from outside parties;

(d) percentage occupancy in the three years in respect of owned and hired storage capacities; and

(e) cost of storage in terms of Rupees per tonne stored grains, separately in FCI owned and hired storage capacities?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) Yes, Sir.

(b) and (d) A statement is annexed (*See* below).

(c) (i) The storage capacity is constructed by the Food Corporation of India (FCI) with the budgetary support from the Government of India. Due to overall limited availability of fund, the Corporation has been able to build up a total storage capacity of about 137 lakh tonnes over the years, so far which is only about 50 per cent of its present total storage capacity. Hence, the hiring of additional storage as per requirements, from time to time, is inescapable.

(ii) The overall requirement of storage capacity is linked with peak stock level normally achieved by the Corporation on 1st July every year.

(iii) While the procurement takes place during a limited period of less than two months, it takes 6 to 8 months to despatch surplus stocks to the consuming regions.

(iv) Necessity to maintain supplies to hilly and inaccessible areas.

(v) Capacities created by Government|Private agencies on guaranteed utilisation basis.

(e) The rate per tonne of storage